



**City of Fremont
Community Facilities District No. 1
(Pacific Commons)
Continuing Disclosure Annual Report
Fiscal Year 2008-09
(per SEC Rule 15c2-12(b)(5))**

**CFD No. 1 Special Tax Bonds, Series 2001
CUSIP Numbers**

357129AA3*	357129AB1*	357129AC9*
357129AD7*	357129AE5*	357129AF2*
357129AG0	357129AH8	357129AJ4
357129AK1	357129AL9	357129AM7
357129AN5	357129AP0	357129AQ8
357129AR6	357129AU9	357129AV7
357129AW5	357129AS4	357129AT2

**CFD No. 1 Special Tax Bonds, Series 2005
CUSIP Numbers**

357129AX3	357129AY1	357129AZ8
357129BA2	357129BB0	357129BC8
357129BD6	357129BE4	357129BF1
357129BG9	357129BH7	357129BJ3
357129BK0	357129BL8	

** Retired as of the date of this Report*

March 12, 2010

***Continuing Disclosure Annual Report
for
City of Fremont Community Facilities District No.1
(Pacific Commons)
Fiscal Year 2008-09***

This Continuing Disclosure Annual Report (“Annual Report”) contains certain information required to be filed annually per SEC rule 15c2-12(b)(5) (the “Rule”) by the City of Fremont Facilities District No. 1 (the “CFD”). The Rule is applicable to the Special Tax Bonds, Series 2001 (the “Series 2001 Bonds”) issued in the aggregate principal amount of \$30,000,000 by the City of Fremont (the “City”) on behalf of the CFD on June 27, 2001, and for the Special Tax Bonds, Series 2005 (the “Series 2005 Bonds”) issued in the aggregate principal amount of \$38,000,000 on July 21, 2005. The Rule requires that an issuer undertake in a written agreement or contract, for the benefit of holders of the securities issued, to file with national and state repositories the following:

- i. Certain financial and bond information as presented in the Continuing Disclosure Certificates
- ii. Audited financial statements
- iii. Notice of certain enumerated significant events
- iv. Notice of any failure to provide such annual financial information as agreed

In compliance with the Rule, the City signed Continuing Disclosure Certificates on June 27, 2001, and on July 21, 2005, requiring the City to provide annually, or as they occur, the aforementioned enumerated documents or events. Per the Continuing Disclosure Certificates, the City is required to file an annual report with all national and State of California repositories which includes:

1. The City’s audited financial statements prepared in accordance with generally accepted accounting principals as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board, and as further modified according to applicable State law.

÷ **See Appendix A.**

2. The principal amount of bonds outstanding as of June 30, 2009.

÷ **Series 2001 Bonds: \$29,495,000**

÷ **Series 2005 Bonds: \$38,000,000**

3. Balance in the Acquisition and Construction Fund as of June 30, 2009.

÷ **Series 2001 Bonds: \$0**

÷ **Series 2005 Bonds: \$999,161**

4. Balance in the Reserve Fund as of June 30, 2009.

÷ **Series 2001 Bonds: \$326,460; the remainder of the reserve requirement for the Series 2001 Bonds is satisfied by a \$2,700,000 Letter of Credit issued by Bank of America. The reserve requirement for the Series 2001 Bonds is \$3,000,000.**

÷ **Series 2005 Bonds: \$3,732,543. The reserve requirement for the Series 2005 Bonds is \$3,732,520.**

5. Total assessed value of all parcels subject to the special taxes and the current year's assessed value for the CFD.

÷ **\$483,376,578**

6. Special tax and property tax delinquency rate for parcels in the CFD for the most recent year.

÷ **No delinquencies for fiscal year 2008-09.**

7. Concerning delinquent parcels:

- number of parcels delinquent in payment of special tax,
- amount of total delinquency and as a percentage of total special tax levy, and
- status of the CFD's actions on covenants to pursue foreclosure proceedings upon delinquent properties.

÷ **No delinquencies for fiscal year 2008-09.**

8. Identity of any delinquent tax payer obligated for more than 10% of the annual special tax levy and:

- assessed value of applicable properties, and
- summary of results of foreclosure sales, if available.

÷ **No delinquencies for fiscal year 2008-09.**

9. Significant amendments to land use entitlements for property in the CFD known to the City's Chief Financial Officer.

÷ **On July 23, 2002, the City Council approved PLN2002-00263 Pacific Commons Planned District Major Amendment. This Planned District Major Amendment modified the approved land use and circulation plans for the Planned Development known as Pacific Commons (P-2000-214). Specifically, the proposal: 1) relocated the proposed southerly extension of Boscell Road to the east and renamed it Braun Street; 2) created an area between the existing Auto Mall and proposed Braun Street that would be designated as a major retail area and that would accommodate both regional and community land uses; 3) designated additional lots southerly of the existing Auto Mall for additional auto dealerships; 4) allowed a reduction in the minimum height requirements for the office/R&D, retail and auto sales buildings on a portion of the site; and 5) rezoned two parcels of land from P2000-214 (Pacific Commons) to P-88-15B (Auto Mall). Additionally, the proposal necessitated an amendment to the City's Option Agreement for property within Pacific Commons to relocate the City's "Option Parcels" from the area proposed for major retail development to another location within the Pacific Commons project.**

÷ **On July 22, 2003, the City Council approved PLN2003-00166 Pacific Commons Planned District Major Amendment. This Planned District Major Amendment modified the approved land use and circulation plans for the Planned Development known as Pacific Commons (P-2000-214). Specifically, the proposal would: 1) allow for the creation of a unique, pedestrian-oriented community retail shopping center at the east Activity Center in place of the previously envisioned hotel, office and retail uses; 2) relocate the Major Retail Area eastward from its current location to an approximately 40 acre area along Auto Mall Parkway between Christy Street and Boscell Road; 3) allow for the development of mixed retail, one**

to four-story Office/R&D buildings and Auto Dealership on the west side of Boscell Road from Auto Mall Parkway to Curie Street; 4) return Boscell Road to the alignment proposed through the 2000 approvals; and 5) extend Pacific Commons Boulevard from Curie Street to Auto Mall Parkway. Additionally, the proposal necessitates an amendment to the 2000 Amended and Restated Development Agreement between the City of Fremont and Catellus Development Corporation, and to the City's Option Agreement and Fire Station Promissory Note for property within Pacific Commons. Amendments to the Development Agreement between the City and Catellus are proposed to: (i) extend the completion date for Cushing Parkway as previously reviewed by Council on May 13, 2003; and (ii) limit drive-thru restaurants to two unique establishments.

10. Status of any significant legislative, administrative, and judicial challenges to the construction of the development in the CFD known to the City's Chief Financial Officer, without independent inquiry, for any year in which construction activity has occurred in the CFD.

÷ **None**

11. For the most recent year for which the following information is available, any building permit issued for the construction of a building on a parcel subject to the special taxes and the City approval of any certificate of occupancy for any building on a parcel subject to the special taxes.

APN/Building	Permit Issued?	Construction Commenced? Status?	Notice of Completion/ Occupancy
525-1326-009 Buildings 1&2	Yes	Yes – Completed	Yes
525-1326-010,011 Buildings 3&4	Yes	Yes – Completed	Yes
525-1326-012 Building 5 (Intel)	Yes	Yes – Completed	Yes
525-1326-032 Building 6	Yes	Yes – Completed	Yes
525-1326-035 (Cisco Lease)	No	N/A	N/A
525-1326-036 (Cisco Lease)	No	N/A	N/A

APN/Building	Permit Issued?	Construction Commenced? Status?	Notice of Completion/ Occupancy
525-1326-037 (Magnussen Family LLC)	No	N/A	N/A
525-1326-048 (Cisco Lease)	No	N/A	N/A
525-1326-049 (Cisco Lease)	No	N/A	N/A
525-1326-050 (Cisco Lease)	No	N/A	N/A
525-1670-001 Fremont Pediatric Medical Building (Mission Peak Associates, LLC)	Yes	Yes – Completed	Yes
525-1670-002&003 Lowe’s Building	Yes	Yes – Completed	Yes
525-1670-005 Retail Area 1	Yes	Yes – Completed	Yes
525-1670-006 Kohl’s Building	Yes	Yes – Completed	Yes
525-1670-007 Buildings P4&P5	Yes	Yes – Completed	Yes
525-1670-009 Planning Area 3C	Yes	Yes – Completed	Yes
525-1670-010 Planning Area 3C	Yes	Yes – Completed	Yes
525-1670-011&012 Costco Building	Yes	Yes – Completed	Yes
525-1670-013 Planning Area 5	No	N/A	N/A
525-1670-014 Planning Area 5	No	N/A	N/A
Portion of 525-1670-016, 017 Vantec Building (Arena Capital, LLC)	Yes	Yes – Completed	Yes
525-1670-018 In-N-Out Building	Yes	Yes – Completed	Yes
525-1670-019 Claim Jumper	Yes	Yes – Completed	Yes
525-1670-020 (Streetwise Investments, LLC)	No	N/A	N/A
525-1670-022 Planning Area 4A	Yes	Yes	Yes
525-1670-023 Planning Area 4B	Yes	Yes	Yes

APN/Building	Permit Issued?	Construction Commenced? Status?	Notice of Completion/ Occupancy
531-0223-029 (Magnussen Ground Lease)	Yes	Yes – Completed	Yes
531-0223-030&031 (Magnussen Family LLC) Lexus	Yes	Yes – Completed	Yes
531-0223-037 Building 7	Yes	Yes – Completed	Yes

12. To the extent not otherwise provided pursuant to the preceding items 1-11, annual information required to be filed by the CFD with the California Debt and Investment Advisory Commission pursuant to Sections 50075.1, 50075.3, 53359.5(b), 53410(d), or 53411 of the California Government Code.

÷ **See Appendix B.**

13. **Reporting of Significant Events.** Pursuant to the provisions of the Continuing Disclosure Certificates, the City shall give, or cause to be given, notice of the occurrence of any of the following events, if material:

1. Principal and interest payments delinquencies.
2. Non-payment related defaults.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancements reflecting financial difficulties.
5. Substitution of credit or liquidity providers, or their failure to perform.
6. Adverse tax opinions or events affecting the tax-exempt status of the security.
7. Modifications to rights of security holders.
8. Bond calls.
9. Defeasances.
10. Release, substitution, or sale of property securing repayment of the securities.
11. Rating changes.

÷ **As defined above, no significant events have occurred over the past fiscal year relating to the Series 2001 Bonds or Series 2005 Bonds.**

APPENDIX A

***City of Fremont
Comprehensive Annual Financial Report
for the Fiscal Year Ending June 30, 2009***

APPENDIX B

***CDIAC Yearly Fiscal Status Reports
for the Fiscal Year Ending June 30, 2009***

**STATE OF CALIFORNIA
MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT**

California Debt and Investment Advisory Commission
915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94509-001
(916) 653-3269 FAX (916) 654-7440

For Office Use Only

CDIAC # 2001-0622
Password ID 25000899
Fiscal Year

I GENERAL INFORMATION

A. Issuer City of Fremont

B. Community Facilities District Number/Name City of Fremont CFD No. 1 (Pacific Commons)

C. Name/Title/Series of Bond Issue Special Tax Bonds, Series 2001

D. Indicate Credit Rating Ratings Agency _____ Rating _____ Not Rated X

E. Date of Bond Issue June 27, 2001

F. Original Principal Amount of Bonds \$30,000,000

G. Reserve Fund Minimum Balance Required \$3,000,000

II FUND BALANCE FISCAL STATUS

Balances Reported as of: June 30, 2009 (Year)

A. Principal Amount of Bonds Outstanding \$29,495,000

B. Bond Reserve Fund \$3,026,460

C. Capitalized Interest Fund \$0

D. Construction Fund(s) \$0

III ASSESSED VALUE OF ALL PARCELS IN CFD SUBJECT TO SPECIAL TAX

(Check one)

A. Assessed Value Reported as of: July 1, 2009 (DATE)

X From Equalized Tax Roll
____ From Appraisal of Property
(Use only in first year or before annual tax roll billing commences)

B. Total Assessed Value of All Parcels \$483,376,578

IV TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due \$3,693,506.24

B. Total Amount of Unpaid Special Taxes \$0

C. The Taxes are Paid Under the County's Teeter Plan Yes: _____ No: X

V DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of Equalized Tax Roll of: June 30, 2009 (DATE)

A. Total Number of Delinquent Parcels: 0

B. Total Amount of Taxes Due on Delinquent Parcels \$0

VI FORECLOSURE INFORMATION FOR FISCAL YEAR

(Aggregate totals, if foreclosure commenced on same date)

Date Foreclosure Commenced	Total Number of Foreclosure Parcels	Total Amount of Tax Due on Foreclosure Parcels
None		\$
		\$
		\$
		\$
		\$
		\$

(attach additional sheets if necessary.)

Page 1 of 2

STATE OF CALIFORNIA
MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT
(Continued)

VII ISSUE RETIRED

This issue is retired and no longer subject to the Year Fiscal Status filing requirement. (Indicate reason for retirement.)

A. Matured Yes: _____ No: X If yes, indicate final maturity date: _____

B. Refunded Entirely Yes: _____ No: X If yes, state refunding bond title: _____

and issue date: _____

C. Other: _____

VIII NAME OF PARTY COMPLETING THIS FORM

NAME Eric Frederick

TITLE Associate

FIRM/AGENCY Goodwin Consulting Group, Inc.

ADDRESS 555 University Avenue, Suite 280

CITY/STATE/ZIP Sacramento, California 95825

PHONE (916) 561-0890 DATE OF REPORT 10/30/2009

Completion and submittal of this form to the California Debt and Investment Advisory Commission will assure your compliance with California State law. Section 53359.5 of the California Government Code requires that all agencies issuing Mello-Roos Community Facilities bond after January 1, 1993 to report specific information to the Commission by October 30th of each year.

**STATE OF CALIFORNIA
MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT**

California Debt and Investment Advisory Commission
915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94509-001
(916) 653-3269 FAX (916) 654-7440

For Office Use Only

CDIAC # 2005-0433
Password ID 25000899
Fiscal Year

I GENERAL INFORMATION

A. Issuer City of Fremont

B. Community Facilities District Number/Name City of Fremont CFD No. 1 (Pacific Commons)

C. Name/Title/Series of Bond Issue Special Tax Bonds, Series 2005

D. Indicate Credit Rating Ratings Agency _____ Rating _____ Not Rated X

E. Date of Bond Issue July 21, 2005

F. Original Principal Amount of Bonds \$38,000,000

G. Reserve Fund Minimum Balance Required \$3,732,520

II FUND BALANCE FISCAL STATUS

Balances Reported as of: June 30, 2009 (Year)

A. Principal Amount of Bonds Outstanding \$38,000,000

B. Bond Reserve Fund \$3,732,543

C. Capitalized Interest Fund \$0

D. Construction Fund(s) \$999,161

III ASSESSED VALUE OF ALL PARCELS IN CFD SUBJECT TO SPECIAL TAX

A. Assessed Value Reported as of: July 1, 2009 (DATE)

(Check one)
X From Equalized Tax Roll
_____ From Appraisal of Property
(Use only in first year or before annual tax roll billing commences)

B. Total Assessed Value of All Parcels \$483,376,578

IV TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due \$3,693,506.24

B. Total Amount of Unpaid Special Taxes \$0

C. The Taxes are Paid Under the County's Teeter Plan Yes: No: X

V DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of Equalized Tax Roll of: June 30, 2009 (DATE)

A. Total Number of Delinquent Parcels: 0

B. Total Amount of Taxes Due on Delinquent Parcels \$0

VI FORECLOSURE INFORMATION FOR FISCAL YEAR

(Aggregate totals, if foreclosure commenced on same date)

Date Foreclosure Commenced	Total Number of Foreclosure Parcels	Total Amount of Tax Due on Foreclosure Parcels
None		\$
		\$
		\$
		\$
		\$
		\$

(attach additional sheets if necessary.)

Page 1 of 2

**STATE OF CALIFORNIA
MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT
(Continued)**

VII ISSUE RETIRED

This issue is retired and no longer subject to the Year Fiscal Status filing requirement. (Indicate reason for retirement.)

A. Matured Yes: _____ No: X If yes, indicate final maturity date: _____

B. Refunded Entirely Yes: _____ No: X If yes, state refunding bond title: _____

and issue date: _____

C. Other: _____

VIII NAME OF PARTY COMPLETING THIS FORM

NAME Eric Frederick

TITLE Associate

FIRM/AGENCY Goodwin Consulting Group, Inc.

ADDRESS 555 University Avenue, Suite 280

CITY/STATE/ZIP Sacramento, California 95825

PHONE (916) 561-0890 DATE OF REPORT 10/30/2009

Completion and submittal of this form to the California Debt and Investment Advisory Commission will assure your compliance with California State law. Section 53359.5 of the California Government Code requires that all agencies issuing Mello-Roos Community Facilities bond after January 1, 1993 to report specific information to the Commission by October 30th of each year.